



UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE

ROOM 403, U.S. CUSTOMHOUSE, 610 SOUTH CANAL STREET
CHICAGO, ILLINOIS 60607

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Lt. Colonel Clinton S. Knutson, USAF
State Director
Wisconsin State Headquarters
Selective Service System
P. O. Box 2157
Madison, Wisconsin 53701

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Dear Colonel Knutson:

We have made a review for the settlement of accounts of the certifying officers of the Wisconsin State Headquarters, Selective Service System, for the period through June 30, 1970. The review, completed in October 1970 was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Our review, directed primarily toward the settlement of the certifying officers' accounts, consisted of an examination of the administrative procedures and internal controls relating to the receipt and disbursement of funds and included such tests of financial transactions as we considered appropriate. Program operations were not included in this review. In establishing the scope of our review, we considered the most recent internal audit of the National Headquarters, Field Auditors for the period (May 1966 to May 1968).

Our review disclosed a need for improvement in a number of administrative procedures and controls. The matters noted during our review were discussed with you and members of your staff. Although corrective action was initiated or being considered with respect to these matters they are summarized below for your information.

- mileage between travel itinerary points is not shown on the travel vouchers and the vouchers do not show evidence of administrative approval.
- per diem claimed for departure within 30 minutes prior to or after a quarter day is not supported by a statement explaining the necessity for the time of such departure or return.

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- no administrative certification on vendors' billings that supplies were received or services were performed.
- voucher examination clerk is unable to verify a vendor's billing with terms of Government procurement contracts because GSA Supply Schedules pertaining to such contracts are unavailable in the fiscal office.
- payments are being made for meals or lodgings, furnished on Government requests, in excess of the number authorized.
- State Procurement Officer is performing functions of purchasing, receiving and certifying vouchers for payment.
- extended delays in the deposit of collections.
- formal receipt system to control accountability for collections has not been established.
- inadequate fiscal office documentation in support of refunds of court fees.
- journal vouchers affecting entries to the general ledger accounts do not show the name of the originator of the voucher or approval by the fiscal officer.

In accordance with 8 GAO 3, the record of financial transactions through June 30, 1970, may be transmitted to the Federal Records Center for storage in accordance with your records management program.

Copies of this report are being furnished to the Director, Selective Service System.

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We wish to acknowledge the courtesy and cooperation extended to our representatives during the review, and would appreciate being advised of the final action taken on these matters.

Sincerely yours,

M. R. Wolfson
M. R. Wolfson
Regional Manager